

AMENDMENT TO MR. TAUZIN'S AMENDMENT
OFFERED BY MA. Engel

(Page & line nos. refer to Chairman's Mark of June 17, 2003)

At the end of title I (page 89, after line 33), insert the following new section (and conform the table of contents accordingly):

1 SEC. 108. REPEAL OF REDUCTION OF TAXES ON DIVIDENDS
2 AND CAPITAL GAINS AND THE HIGHEST INDIVIDUAL INCOME TAX RATE.
3

4 (a) REPEAL OF REDUCTION OF TAXES ON DIVIDENDS AND CAPITAL GAINS.—Section 303 of the Jobs
5 and Growth Tax Relief Reconciliation Act of 2003 is
6 amended by striking "December 31, 2008" and inserting
7 "December 31, 2003".
8

9 (b) REPEAL OF REDUCTION OF THE HIGHEST INDIVIDUAL INCOME TAX RATE.—
10

11 (1) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in
12 rates after June 30, 2001) is amended to read as
13 follows:
14

"In the case of taxable years beginning during calendar year:	The corresponding percentages shall be substituted for the following percentages:			
	28%	31%	36%	39.6%
2001	27.5%	30.5%	35.5%	39.1%
2002	27.0%	30.0%	35.0%	38.6%
2003	25.0%	28.0%	33.0%	35.0%
2004 and thereafter	25.0%	28.0%	33.0%	38.6%

1 (2) APPLICATION OF EGTRRA SUNSET TO THIS
2 SUBSECTION.—The amendment made by paragraph
3 (1) shall be subject to title IX of the Economic
4 Growth and Tax Relief Reconciliation Act of 2001 to
5 the same extent and in the same manner as the pro-
6 vision of such Act to which such amendment relates.
7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2003.

 In section 1860D-9(c) of the Social Security Act, as
proposed to be added by section 101, insert after para-
graph (3) (page 61, after line 28) the following:

10 “(3) AMOUNTS ATTRIBUTABLE TO THE RE-
11 PEAL OF REDUCTION OF TAXES ON DIVIDENDS AND
12 CAPITAL GAINS AND THE HIGHEST INDIVIDUAL IN-
13 COME TAX RATE.—Amounts estimated by the Sec-
14 retary of the Treasury each year that are attrib-
15 utable to the amendments made by section 108 of
16 the Medicare Prescription Drug and Modernization
17 Act of 2003.